GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:264
ANSWERED ON:13.12.2011
ALLOCATION FOR MIS
Chaudhary Shri Jayant

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Union Government allocates funds to the States for procurement of agricultural and horticultural commodities under the Market Intervention Scheme (MIS);

(b) if so, the details thereof indicating the commodities procured under the said scheme alongwith the details of funds provided by the Union Government to the State Governments for the purpose during each of the last three years and the current year, State-wise;

(c) whether any requests from the States for such funds are still pending with the Union Government; and

(d) if so, the details thereof alongwith the time by which these funds are likely to be sanctioned, State-wise?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PA WAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 264 DUE FOR REPLY ON 13TH DECEMBER, 2011.

(a) to (d): The Ministry of Agriculture is implementing Market Intervention Scheme (MIS) on the request of States/UT. for procurement of agricultural and horticultural commodities which are generally perishable in nature and not covered under Price Support Scheme (PSS). The MIS is implemented in order to protect the interests of growers to avoid distress sale in the event of bumper crop when the prices tend to fall below the economic levels/ cost of production. Procurement under MIS may be made by NAFED as the central agency or by the State designated agencies. Losses, if any incurred by the procuring agencies are shared between Central Government and the concerned State Government on 50:50 basis (75:25 in case of North- Eastern States). However, the amount of toss to be shared between Central Government and the State Government is restricted to 25% of the procurement cost. Profit, if any, earned by the procuring agencies is retained by them.

A statement, indicating the MIS implemented for the commodities procured, state wise, year-wise, quantity, value, status of funds released etc. during the last three years and the current year is enclosed at Annexure. Under MIS, the claims of State Government for release of central share of losses incurred on implementation of MIS, is released after the same is approved by the Ministry of Finance. The central share of loss for Rs. 1.73 crores for Fresh Fruit Bunches (FFB) for Oil Palm in the State of Andhra Pradesh during 2009 season is being released shortly. The central share of loss in case of Mizoram & Nagaiand incurred on implementation of MIS for chilli, ginger and orange has not been released due to report of certain discrepancies.